



526356

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/25/2011	.	
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The Committee on Banking and Insurance (Richter) recommended the following:

**Senate Amendment (with title amendment)**

Between lines 124 and 125  
insert:

(8) In the case of a limited liability company having more than one member, the remedy of foreclosure on a judgment debtor's interest in such limited liability company or against rights to distribution from such limited liability company is not available to a judgment creditor attempting to satisfy the judgment and may not be ordered by a court.

(9) This section does not limit:

(a) The rights of a creditor that has been granted a



526356

13 consensual security interest in a limited liability company  
14 interest to pursue the remedies available to such secured  
15 creditor under other law applicable to secured creditors;

16 (b) The principles of law and equity which affect  
17 fraudulent transfers;

18 (c) The availability of the equitable principles of alter  
19 ego, equitable lien, or constructive trust, or other equitable  
20 principles not inconsistent with this section; or

21 (d) The continuing jurisdiction of the court to enforce its  
22 charging order in a manner consistent with this section.

23  
24 ===== T I T L E A M E N D M E N T =====

25 And the title is amended as follows:

26 Between lines 11 and 12

27 insert:

28 providing that, in the case of a multimember limited  
29 liability company, certain remedies are unavailable to  
30 a judgment creditor attempting to satisfy a judgment;  
31 prohibiting a court from ordering such remedies;  
32 providing for construction relating to secured  
33 creditor rights, specified principles of law and  
34 equity, and continuing enforcement jurisdiction of the  
35 court;